




STATE OF DELAWARE

**PUBLIC SERVICE COMMISSION**  
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DOVER, DELAWARE 19904

April 11, 2019

**MEMORANDUM**

TO: The Chairman and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF RESOURCE ENERGY SOLUTIONS, LLC FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED DECEMBER 5, 2018; FILED MARCH 20, 2019) - PSC DOCKET No. 18-1269

**Background**

On December 5, 2018, Resource Energy Solutions, LLC (“Resource” or the “Company”) submitted an application (the “Application”) with the Delaware Public Service Commission (the “Commission”) for an Electric Supplier Certificate (“ESC”) to broker electricity in the State of Delaware pursuant to § 1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §§ 1001 - 1020 (the “Act”) and 26 *Del. Admin. C.* § 3001, the Commission’s Rules for Certification and Regulation of Electric Suppliers (the “Supplier Rules”).<sup>1</sup>

**Application**

The Company’s original filing was submitted on December 5, 2018, but the submitted Application was deficient in meeting the minimum filing requirements (“MFR’s”). In a letter dated December 10, 2018, Commission Staff (“Staff”) requested the Company provide documentation related to its authority to do business in the state of Delaware, corporate structure, company website, financial information, technical ability, retail experience, and marketing plans and materials. The Company’s response dated January 9, 2019 did not adequately address the deficiencies outlined by Staff. Staff sent two additional requests dated January 18, 2019 and March 7, 2019. The Company’s submitted subsequent filings on February 13<sup>th</sup>, March 14<sup>th</sup>, March 15<sup>th</sup>, March 19<sup>th</sup>, and March 20<sup>th</sup> to satisfy the requirements of the MFR’s.

**Review and Analysis**

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<sup>1</sup> Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

#### Authority to do Business in Delaware

Resource is a limited liability company formed in the state of Delaware in 2011. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware. The Delaware Certificate of Good Standing was issued July 19, 2018. The Delaware business license was issued November 30, 2018 and is valid from January 1, 2019 through December 31, 2019.

#### Resident Agent

The Company supplied the contact information for The Corporation Trust Company located at 1209 Orange Street-Corporation Trust Center, Wilmington, DE 19801.

#### Compliance with Regional Requirements

The Company agreed to only work with an entity that complies with PJM's requirements and is a certified electric supplier in Delaware.

#### **Financial, Operational, Managerial and Technical Ability**

The Company submitted two Balance sheets for the periods of August 31, 2018 and December 31, 2018. The Company also submitted a Profit and Loss statement for the period ended December 31, 2018 and a statement of Member's Equity as of December 31, 2018 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules. Staff has reviewed the Balance Sheet, Profit and Loss Statement and the statement of Member's Equity. The Company has satisfied the requirements of the Supplier Rules for purposes of brokering electric supply services in the State of Delaware.

The Company anticipates serving small and large commercial customers throughout the State of Delaware. Resource is currently licensed as an electric broker, agent, or aggregator in the following jurisdictions: Illinois, Maine, New Jersey, and Rhode Island. The Company is pending licensure in the states of Maryland, Pennsylvania, and the District of Columbia.

The Application included a summary of experience and qualifications for its officers. Scott Reinstein is the Chief Executive Officer of Resource and has held this position since 2007. Mr. Scott has over 31 years of managerial experience and 12 years of experience in the energy industry. Steven Schlusel is the President of the Company and has held this position since 2001. He possesses over 26 years of managerial experience and 18 years of experience in the energy industry. Richard Plutzer is the Chief Financial Officer and has held this position since 2007. He has 26 years of managerial experience and 12 years of experience in the energy industry.

#### Surety Bond

The Company did not post a surety bond because there are no service agreements between the Company and any Delaware Electric Distribution Company.

#### Verification of Application

The Application and subsequent filings to the Application contained a signed sworn verification of application with the signature of Richard Plutzer, the Secretary and Treasurer of Resource.

#### Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

#### Contracts

The Company has not submitted copies of customer contracts because it will operate as a broker. The Company is not serving residential customers and will develop marketing materials at a later date.

#### Statement of Criminal Activity

The Applicant stated that it has not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals did not return any incidents of criminal activity.

#### Legal Review

Staff submitted this Memo for review by the Attorney on April 18, 2019.

#### Staff Recommendation

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The completed Application supports the Company's request for certification. Staff's review and analysis of the Application demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.